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April 4, 2005

Honorable James H. Welsh Commissioner of Conservation State of Louisiana Post Office Box 44275 Baton Rouge, Louisiana 70804-4275

Re: <u>APPLICATION FOR PUBLIC HEARING</u>.

Upper Hosston Stray Zone, Reservoir B; Bain Sand, Reservoir C; and Hodge-Hunt Sand; BEAR CREEK FIELD, Bienville Parish, Louisiana.

Dear Sir:

EL PASO PRODUCTION COMPANY ("Applicant") hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Upper Hosston Stray Zone, Reservoir B; the Bain Sand, Reservoir C; and the Hodge-Hunt Sand; all in the Bear Creek Field, Bienville Parish, Louisiana:

## Upper Hosston Stray Zone, Reservoir B

- 1. To establish rules and regulations governing the exploration for and production of gas and condensate from the Upper Hosston Stray Zone, Reservoir B.
- 2. To create a single drilling and production unit for the exploration for and production of gas and condensate from the Upper Hosston Stray Zone, Reservoir B, such unit being designated U HOSS STRAY RB SUA and being shown on an attached plat.
- 3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit with each separate tract sharing in unit production on a surface acreage basis of participation.
- 4. To designate applicant as Operator of, and its HG Jordan et al. No. 1 Well as the unit well for, the proposed unit.

- 5. To provide that future wells drilled to the Upper Hosston Stray Zone, Reservoir B, be located in accordance with the provisions of Statewide Order No. 29-E.
- 6. To provide that the Commissioner of Conservation should be authorized to reclassify the Upper Hosston Stray Zone, Reservoir B, by Supplemental Order without the necessity of a public hearing if the producing characteristics of the reservoir so warrant and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.
- 7. To define the Upper Hosston Stray Zone, Reservoir B, as that gas and condensate bearing interval encountered between the measured depths of 7,615 feet and 7,804 feet in the El Paso Production Company--HG Jordan et al. No. 1 Well, located in Section 6, Township 16 North, Range 5 West, Bienville Parish, Louisiana.
- 8. To consider such other matters as may be pertinent to the Upper Hosston Stray Zone, Reservoir B.

## Bain Sand, Reservoir C, and Hodge-Hunt Sand

- 1. To permit Applicant to complete, designate and utilize its HG Jordan et al. No. 1 Well as an additional alternate unit well for BAIN RC SUB and as the substitute unit well for H-H SUL, said well being located as shown on attached plats, in exception to the well spacing provisions of Office of Conservation Order No. 78, effective February 9, 1944 (applicable to the Hodge-Hunt Sand).
- 2. To find that completion, designation and use of the HG Jordan et al. No. 1 Well as an additional alternate unit well for BAIN RC SUB and as the substitute unit well for H-H SUL is necessary to efficiently and economically drain a portion of the Bain Sand, Reservoir C, underlying BAIN RC SUB, and a portion of the Hodge-Hunt Sand underlying H-H SUL, which cannot be efficiently and economically drained by any existing well within these units.
- 3. To permit the operator of BAIN RC SUB to produce the allowable assigned to this unit from either the unit well, any alternate unit well, or from any combination of such wells, at the option of the operator.

The Bain Sand, Reservoir C, in the Bear Creek Field, Bienville Parish, Louisiana, was initially defined in Office of Conservation Order No. 78-J-2, effective October 3, 2000, and was further defined in Office of Conservation Order No. 78-J-3, effective June 17, 2003.

The Hodge-Hunt Sand in the Bear Creek Field, Bienville Parish, Louisiana, was defined in Office of Conservation Order No. 78, effective February 9, 1944, as the Hosston Formation (restricted) and was subsequently renamed the Hodge-Hunt Sand.

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## All Sands

1. To expand the provisions of Office of Conservation Order No. 78-51, effective August 6, 1998, and of Office of Conservation Order No. 78-65, effective June 17, 2003, to include the Upper Hosston Stray Zone, Reservoir B, underlying U HOSS STRAY RB SUA, and the Hodge-Hunt Sand underlying H-H SUL, so as to approve the downhole combination of production from the Upper Hosston Stray Zone, Reservoir B, and the Hodge-Hunt Sand with the intervals approved for downhole combination in Order Nos. 78-51 and 78-65.

Pertinent data concerning this application is available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 N. Causeway Boulevard, Suite 204, Metairie, Louisiana 70002-7216. Any person desiring to inspect such data should call Mr. Louis Gilbert at (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such data which is not otherwise available from the Office of Conservation can be obtained from Applicant at the expense of the requesting party.

By letter dated March 17, 2005, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and a pre-application conference with respect to Applicant's proposals was tentatively scheduled for April 7, 2005. No request for the pre-application conference was received within ten (10) days after the date of the pre-application notice; therefore, no conference was held.

Attached hereto are plats of the units which are the subject of Applicant's proposals, which plats are identical to those attached to the pre-application notice. Also attached hereto is a list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom a copy of this application is being sent. Pursuant to the Revised Rules of Procedure, such list is being forwarded only to the Commissioner of Conservation and to the District Manager of the Shreveport District of the Office of Conservation. A copy of the list will be furnished by the undersigned to any party so requesting. A reasonable effort was made to obtain a complete list of Interested Owners, Represented Parties and Interested Parties.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and of the enclosed plats, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Bear Creek Field, all in accordance with the Revised Rules of Procedure. Furthermore, a copy of the Legal Notice will be mailed to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

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Finally, we enclose our check payable to the Commissioner of Conservation for the

application fee.

Tours very trury,

David L. Smelley

Attorney for El Paso Production Company

DLS:dp Enclosures

cc: Mr. Jim Broussard (w/encls.)

Mr. Jerry McAnulty (w/encls.) Mr. Louis Gilbert (w/encls.)

Interested Owners, Represented Parties

and Interested Parties (w/copy of plats only)





